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collections

It's an unpleasant reality that we all wish we didn't have to deal with. But unfortunately, it is sometimes necessary to refer an unpaid charge to an outside agency for collection. MediMAX makes collecting unpaid bills as quick and painless as possible. There are two types of collection in MediMAX, Internal Collections and External Collections. Internal Collections is MediMAX's way of letting you act as your own collection agency. When you transfer a guarantor's balance to Internal Collections, the balance is cleared from the guarantor ledger and moved to the guarantor's Collection view so you can continue to attempt to collect the money. External Collections means sending a guarantor's balance to an external agency or attorney for collection. Your office may choose not to utilize MediMAX's Internal Collections feature for collecting unpaid balances, but in order to send a guarantor's balance to External Collections, you first need to know how to send the balance to Internal Collections.

internal collections

The first step in collecting an unpaid charge is to send the charge to Internal Collections. Internal Collections is MediMAX's way of storing unpaid charges for which there has been some difficulty or delay in collecting payment.

When you transfer a guarantor's balance from the guarantor's ledger to Internal Collections, a Sent to Internal Collections negative adjustment is written in the ledger for the amount of the balance. For example, if the guarantor has an outstanding balance of $25.00 that you transfer to Internal Collections, MediMAX writes a negative adjustment of $25.00 to the guarantor's ledger. The guarantor's balance is now $0.00, thus ensuring accuracy in your daily accounting reports.

Although you are essentially "writing-off" the guarantor's unpaid balance by sending it to Internal Collections, you aren't forgetting about it. An optional Accounting Alert warns users that the guarantor has a collections balance and the $25.00 appears as a Collections item in the guarantor's Collection view so you can continue your attempts to collect the debt.

Transferring an amount to Internal Collections is *not* the same as transferring an amount to an external source, such as a collection agency, for collection. For information on sending a guarantor's unpaid balance to an external agency for collection, read the section titled "Transferring a Guarantor's Balance to External Collections" later in this chapter.

Once you send a guarantor's balance to collections, designate the guarantor's patients *Inactive* so that they won't be scheduled or sent recall notices. To designate a patient as inactive, click the Inactive Patient checkbox in the Misc. tab of the Patient window's Patient view. For more information on entering patient information and using the Patient window, refer to Chapter Five, "Patient Records."

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transferring a guarantor's balance to internal collections

To transfer a guarantor's balance to Internal Collections, open the guarantor's record and click the Collection icon on the Guarantor Views palette to display the Collection view.

Click the Internal Collections button on the action bar. The Internal Collections dialog box displays, informing you that the guarantor's balance is going to be placed in Internal Collections.

The guarantor's name, today's date, and the amount being placed in Internal Collections are listed. A Sent to Internal Collections accounting alert will be created for the guarantor if the checkbox is checked. If you do not want to create a Sent to Internal Collections accounting alert for this guarantor, deselect the checkbox.

If a Sent To Internal Collections accounting alert was created when transferring the guarantor's balance to Collections, users will be alerted that the guarantor has an uncollected amount in Collections. For information on accounting alerts and where they appear, refer to the "Alerts" section of Chapter Four, "References."

Click Cancel in the Internal Collections dialog box to close the dialog box and return to the Collection view without transferring the guarantor's balance to Internal Collections.

If you are ready to place the guarantor's balance in Internal Collections, click OK. The Internal Collections dialog box closes. The guarantor's outstanding balance is adjusted from the ledger and appears in the Guarantor window's Collection view. Each Performing Provider (PProv), Location, Department, and Supervising Provider (SProv) with a charge sent to internal collections receives a line in the Collection view's list. A Sent to Internal Collections negative adjustment is written to the ledger for the collection amount, adjusting the guarantor's balance to $0.00. The adjustment is also reflected in the Ledger view of each of the guarantor's patients.

the collection view

Click the Collection icon on the Guarantor Views palette to view the items that have been transferred to Collections for the guarantor. The Collection view displays.

The Collections Summary tab displays the total dollar amount in Collections, the remaining amount to be paid, the amount of the last payment applied toward the Collections amount, and the date of payment.

Any items that have been sent to Internal Collections for this guarantor are listed in the Collection view's list.

Click the arrow to the left of any item in the Collection view's list to display detailed information on the collection history of the item, such as letters you have sent the guarantor and payments the guarantor has made. The detailed history of a collection item is displayed in columns directly below the item in the list. These columns can not be modified.

To add detailed history to a Collections item in the list, highlight the item in the list and click one of the Add buttons in the bottom-left corner of the guarantor's Collection view. If you click Add Comment or Add Contact, a dialog box displays with the guarantor's name and today's date.

In the Add Comment dialog box, enter a description of the comment in the Description field (up to 40 characters), such as *Phoned Guarantor.* In the Comment field, enter any remaining information needed for the comment.

When you have finished entering information, click OK. The Add Comment dialog box closes and a new detailed history item is displayed in the list for the collections item. The date you added the detailed history appears in the Date column, and the text from the Description field displays in the Description column. Double-click the item in the list to reopen the Add Comment dialog box and view or edit the information if you wish.

If you want to make a record of the contact you made with the guarantor regarding the selected collections item, click the Add Contact button. The guarantor's home and work phone numbers display. In the Description field, enter a description of the type of contact made, such as *Telephone Call.* In the Contact field, type the name of the person contacted. In the Promised Amt. field, enter the amount, if any, the contact promised to pay. Enter the date the guarantor promised to pay in the Promised Date field. Enter any other information regarding this contact in the Comment field.

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When you have finished entering information, click OK. The Add Contact dialog box closes and a new detailed history item is displayed in the list for the collections item. The date you added the detailed history appears in the Date column, and the text from the History Desc. field displays in the Description column.
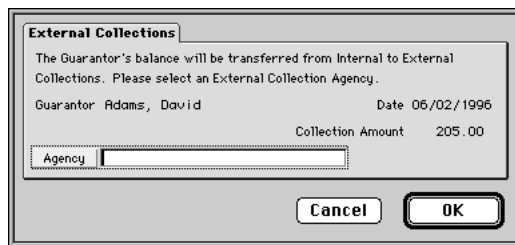
If you want to print a letter regarding the selected Collections item, click Add Letter. A Collection Note displays. For more information on setting up templates and using the Note module, refer to Chapter Nineteen, "Notes."

After the note is saved, a new detailed history item is displayed in the Collection view's list for the selected collections item. The date the detailed history item was added appears in the Date column. The name of the template you printed is listed in the Description column.

transferring a guarantor's balance to external collections

Even if your office doesn't use the Collection view for transferring a guarantor's balance to Internal Collections, the guarantor's balance must be placed in Internal Collections to be sent to External Collections. If you are sending a guarantor's outstanding balance to a collection agency and the balance has not been sent to Internal Collections, first transfer the balance to Internal Collections.

To send a guarantor's unpaid balance to an external agency for collection, open the guarantor's record and click the Collection icon on the Guarantor Views palette. The Collection view displays with a list of items the guarantor has in collections.

Highlight the item in the list that you want to send to an external agency and click the External Collections button on the action bar. The External Collections dialog box displays, stating that you are about to transfer the guarantor's balance from Internal to External Collections. The selected guarantor's name, today's date, and the Collection Amount display in the dialog box.

Click the Agency lookup box to select the agency to which you are referring the guarantor's balance.

When you have selected the appropriate agency, click OK. The External Collections dialog box closes and the collection amount for the guarantor is transferred to the selected agency. A Sent to External Collections positive adjustment in the amount of the selected Internal Collections item is recorded in the Guarantor's Collection view. A negative adjustment in the same amount is added as a detailed history item to the Internal Collections item.

Note: You must now submit the guarantor's balance to the selected agency for collection.

Click Cancel in the External Collections dialog box to close it and return to the guarantor's Collection view without transferring the amount to an external agency

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entering payments for internal collection items

If you receive payment from a guarantor for an item that has been sent to Internal Collections, simply distribute the payment like you would any other.

Click the Payment Deposit icon on the tool bar. In the Payment Source tab choose Guarantor from the Source pop-up menu and then click the Reveal icon. Choose Collections from the Destination pop-up menu in the Payment Destination tab. The selected guarantor's Internal Collections items display in the list. Simply distribute the payment to the appropriate item or items in the list. For more information on distributing a payment, refer to Chapter Twelve, "Payments."

If you receive a payment from an insurance plan for an item that has been sent to Internal Collections, highlight the collection item in the guarantor's Collection view and enter a Negative Adjustment for the amount of the payment. Then post a Balance Adjustment for the same amount to the patient's record. Finally, open the Payment Distribution window and post the insurance payment to the Balance Adjustment item for the patient.

For example, if a guarantor's $25.00 balance was sent to Internal Collections, $25.00 appears in the guarantor's Collection view. If the insuarnace check you receive pays for $20.00 of the $25.00, enter a Negative Adjustment for $20.00. You may want to create a negative adjustment called "Transferred to Patient Ledger" to keep track of this type of adjustment. Then post a Balance Adjustment for $20.00 for the patient associated with the charge. Finally, click the Payment Distribution icon on the tool bar to display the Payment Distribution window.

Choose Insurance Plan as the Source of payment, and Patient as the Destination. The patient's balance adjustment item displays in the list. Simply distribute the insurance payment to the Balance Adjustment like you would distribute a payment to any other unpaid charge. For more information on distributing a payment, refer to Chapter Twelve, "Payments." For more information on entering a positive or negative adjustment, refer to Chapter Thirteen, "Adjustments."

entering payments for external collection items

If you receive a payment from a collection agency for an item you have sent to External Collections, open the Payment Distribution window. Choose Collections from the Source pop-up menu in the Payment Source tab and from the Destination pop-up menu in the Payment Destination tab. The External Collections items for the selected agency display in the list. Simply distribute the payment to the appropriate item or items in the list. For more information on distributing a payment, refer to Chapter Twelve, "Payments."

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